GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4848
ANSWERED ON:31.03.2017
Adequate Cash Supply in Rural Areas
Hari Shri G.

Will the Minister of FINANCE be pleased to state:

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 4848
TO BE ANSWERED ON 31ST MARCH 2017/10TH CHAITRA SAKA, 1939

Adequate Cash Supply in Rural Areas

4848. SHRI G. HARI:
QUESTION

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has unveiled measures to ensure adequate cash supply in rural areas;
(b) if so, the details thereof;
(c) whether the NABARD utilise its own cash credit limits upto about Rs. 23,000 crore to enable District Central Cooperative Banks to disburse crop loans to primary agricultural cooperative societies; and
(d) if so, the details thereof and if not, the reasons therefor?

Answer

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (b): Various measures have been taken for equitable distribution of notes across the country to ensure availability of currency notes to public. Banks were advised to ensure adequate cash supply to RRBs, DCCBs and rural branches of commercial banks for facilitating activities relating to Rabi cropping season. Currency Chest maintaining banks were advised to involve District Co-ordinates functioning under the aegis of the State level Banker's Committee in planning/distribution of banknotes so as to ensure adequate allocation of cash to DCCBs, rural branches and post offices. In order to ensure availability of notes to rural areas of the country, Currency chests have been issued necessary instruction to ensure 40% of aggregate issuance of fresh notes to rural branches of commercial banks, RRBs, DCCBs and ATM networks.

(c) & (d): NABARD provides refinance to Cooperative Banks under ST (SAO) which is supplementary in nature. During 2016-17 an amount of Rs.45000 crore was allocated under Short Term Cooperative Rural Credit (STCRC) Fund which has been fully utilized.
Further, Government has announced an additional fund of Rs. 20,000 crore in January 2017 through NABARD, to provide farmers better access to loan from Cooperative banks and Societies. The additional allocation has been made as a special measure to Cooperative Banks, in view to mitigate difficulties faced by farmers. An amount of Rs.17774.14 crore has been disbursed to State Cooperative Banks on behalf of District Central Cooperative Banks (DCCBs) against this fund.

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